

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(Richmond)**

IN RE:

CIRCUIT CITY STORES, Inc.

Debtors

Case No. 08-35653-KRH
Chapter 11
Jointly Administered

**LOUDOUN COUNTY'S MOTION FOR LEAVE OF COURT TO ATTEND HEARING
ON DEBTORS' THIRTY-SEVENTH OMNIBUS OBJECTION TO CLAIMS
(REDUCTION OF CERTAIN PERSONAL PROPERTY TAX CLAIMS) AND
LOUDOUN COUNTY'S REQUEST FOR ABSTENTION BY TELEPHONE**

The COUNTY of LOUDOUN, VIRGINIA, by counsel ("the County") hereby requests that the Court allow County's counsel to appear telephonically at the 2:00 P.M. April 29, 2010 Hearing on the Debtors' Thirty-Seventh Omnibus Objection to Claims (Reduction of Certain Personal Property Tax Claims) with respect to the County's Administrative Expenses Claim dated May 28, 2009 and filed on June 1, 2009 (the "Objection") and the Response of the County and its Request for Abstention filed on September 23, 2009 (the "Response"), and in support hereof states as follows:

1. County's counsel is located in Leesburg, Loudoun County, Virginia, at least four hours driving distance from the Court. The Objection was filed by Debtors on June 1, 2009; since that day, Debtors have scheduled several hearings for the Court to hear the matter, but Debtors have asked the Court to adjourn such hearings every single time until now. The Notice of Agenda of Matters Scheduled for Hearing on April 29, 2010, at 2:00 P.M. (Eastern) (the "Agenda") was

Belkys Escobar, Assistant County Attorney
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filed at the closing of Monday, April 26, 2010. County's counsel had engaged in previous commitments which make impossible for her to drive back and forth all day from Leesburg to Richmond on Thursday, April 29, 2010.

2. In accordance with Order Approving the Debtors' Omnibus Objection Procedures and the Form and Manner of Notice of Omnibus Objections entered by this Court on May 31, 2009, "unless otherwise notified, no claimants will need to appear at the status hearings on the Omnibus Objections. If an evidentiary hearing is necessary, claimants will be provided a separate notice of hearing." The County has not been notified of any evidentiary hearing on this matter.

3. The County filed its Response on September 23, 2009 (the "Response"). The Response's basic request is that the Court exercise its discretion under 28 U.S.C. §1334(c)(1) and 11 U.S.C. §505(a)(1) and abstain from hearing the Objection.

4. The Response requested that, in the alternative, should the Court decide to hear the Objection, Debtors are directed to file the objection to the County's administrative claim as an adversary proceeding pursuant to Bankruptcy Rule 7001, as the Objection seeks to reduce the amount and extent of the County's lien. In the opportunity of the evidentiary hearing, the County will prove (i) that County's records show that Debtors have in 2009 two business personal property accounts in the County, account number 00387551 (furniture and fixtures) and account number 00611235 (computer equipment); (ii) that on April 17, 2009, the Debtors filed two tax returns with the County with regard to accounts 00387551 and 00611235, and that by Debtors' own admission, the assets in account number 00387551 were worth approximately \$668,506, while the assets in account number 00611235 were worth approximately \$183,650; (iii) that the County's records indicate that, as of January 1, 2009, the Commissioner of Revenue assessed the assets in account number 00387551 in \$112,703, while assessed the assets in account number 00611235 in \$22,114, and that 2009 personal property taxes were calculated based on such assessed values; and (iv) that

a simple comparison of the value as reported by the Debtors against the assessment of the Commissioner of Revenue indicates that a percentage of the original cost as reported by Debtors –and thus depreciation- was taking into consideration by the Commissioner.

WHEREFORE, the County respectfully request that this Court grant this request and enter an order substantially in the form attached hereto permitting Belkys Escobar, as counsel by the County, to appear and be heard by telephone at the hearing on April 29, 2010 and grant such other relief as necessary and appropriate.

Respectfully submitted,

THE COUNTY of LOUDOUN, VIRGINIA

By counsel

JOHN R. ROBERTS
COUNTY ATTORNEY

By /s/ Belkys Escobar
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IN RE:

CIRCUIT CITY STORES, Inc.

Debtors

Case No. 08-35653-KRH
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**ORDER GRANTING LOUDOUN COUNTY'S MOTION FOR LEAVE OF COURT TO
ATTEND HEARING ON DEBTORS' THIRTY-SEVENTH OMNIBUS OBJECTION TO
CLAIMS (REDUCTION OF CERTAIN PERSONAL PROPERTY TAX CLAIMS) AND
REQUEST FOR ABSTENTION BY TELEPHONE**

Upon consideration of the Loudoun County's Motion for Leave of Court to Attend Hearing On Debtors' Thirty-Seventh Omnibus Objection to Claims (Reduction of Certain Personal Property Tax Claims) and Request for Abstention by Telephone, and it appearing that the motion having been served upon counsel for Circuit City Stores, Inc. et al. (the "Debtors"), counsel for the Official Committee of Unsecured Creditors, and the Office of the United States Trustee for the Eastern District of Virginia, and after due deliberation and sufficient cause appearing therefore, it is hereby,

ORDERED, that the Motion is GRANTED and Belkys Escobar, on behalf of Loudoun County, Virginia, is permitted to appear and be heard by telephone at the hearing on April 29, 2010 at 2:00 P.M..

DATE ENTERED: _____, 2010

HONORABLE KEVIN R. HUENNEKENS
UNITED STATES BANKRUPTCY JUDGE

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CERTIFICATE OF MAILING

I hereby certify that a copy of the foregoing Motion and Proposed Order was served on April 27, 2010 by ELECTRONIC MAIL through the Court's electronic filing system to all parties in interest and to the parties for whom electronic mail addresses are indicated below:

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/s/ Belkys Escobar